

**Plaintiffs' Memorandum in Opposition  
to Joint Motion for Summary  
Judgment for Failure to Prove Fault  
Element of Public Nuisance Claims**

**Ex 54 – MCKMDL00543612-613**

# McKesson Controlled Substances Monitoring Program

## Program Guide for Pharmacies

### Program overview

McKesson is enhancing our policies and practices for distributing controlled substances to our pharmacy customers. We have designed our Controlled Substances Monitoring Program (CSMP) to improve our ability to monitor orders of controlled substances.

With this program, we have put in place a sophisticated technology system that will allow for proactive, two-way communications between McKesson and your pharmacy.

### Program details

All U.S. drug wholesalers have always been required by the DEA to monitor the ordering of controlled substances. Those regulations have not changed, but the extent to which wholesalers are now required to monitor and enforce the legitimate use of controlled substances has. While we trust and respect our customers' integrity and professionalism, we must cooperate with these mandates from the DEA.

**Therefore, beginning this month, McKesson will implement the CSMP. Here's how the program works:**

- McKesson will monitor purchases of all controlled substances by all customers.
- A critical component of this program is the establishment of controlled substance thresholds.
- Realizing that each customer's business is unique, McKesson has taken great care to set a threshold level specific to your business needs.
- Thresholds are determined by an analysis of each customer's controlled substances purchase history.
- Thresholds are monitored monthly and adjusted if necessary.
- Customers will be alerted in advance of meeting or exceeding their thresholds.
- Customers can apply for threshold adjustments if their business is changing or they anticipate needing to place a larger order.

## Notification system

Your McKesson ordering system conducts real-time monitoring of controlled substance purchases according to DEA base code. McKesson's CSMP works with your regular ordering system processes to deliver communications in plenty of time for your pharmacy to take corrective action, helping head off any potential disruptions in supply.

### Advance warning alerts

If your pharmacy reaches a threshold for a given product, you will receive an alert in Supply Management Online or EconoLink, and a message on your invoice or delivery document, alerting you that you are approaching your regulatory purchase limit, so you can monitor your purchases for the rest of the month.

### Threshold exceeded

If for some reason your pharmacy exceeds its threshold for a given product, you will see a "V" omit code in your ordering system, as well as printed on your invoice. The omit code signals that the product will be omitted from your order because you exceeded your monthly threshold.

## Communicating anticipated order increases

We recognize your business is constantly changing, so your future controlled substance ordering needs may vary from your order history. McKesson has developed a Threshold Change Request process, allowing you to communicate your needs in advance so we can accommodate them in advance of any delays or disruptions in delivery.

McKesson values you and your business and is committed to working closely with you to ensure that your pharmacy continues to be successful. This program addresses the DEA's requirements to ensure controlled substances are used in the way they were intended, but it also ensures that you as a McKesson customer can continue with business as usual.

Your McKesson representative will be contacting you shortly to walk you through the new processes and answer any questions you might have.